

Arthritis

Summary of Methods and Data for Estimate of Costs of Illness

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|--|-----------------|
| 1. Estimated Total Economic Cost | \$ 64.8 billion |
| Estimated Direct Cost | \$ 15.2 billion |
| Estimated Indirect Cost | \$ 49.6 billion |
| Reference Year | 1992 |
| IC Providing the Estimate | NIAMS |
| | |
| Direct Costs Include: Other related nonhealth costs | No |
| Indirect Costs Include: | |
| Mortality costs | Yes |
| Morbidity costs: Lost workdays of the patient | Yes |
| Morbidity costs: Reduced productivity of the patient | No |
| Lost earnings of unpaid care givers | No |
| Other related nonhealth costs | No |
| Interest Rate Used to Discount Out-Year Costs | 4% |
| 2. Category code(s) from the International Classification of Diseases, 9th Revision, Clinical Modification, (ICD-9-CM) for all diseases whose costs are included in this estimate: <u>098.5, 274.0, 711-720.</u> | |
| 3. Estimate Includes Costs: | |
| Of related conditions beyond primary, strictly coded ICD-9-CM category | No |
| Attributable to the subject disease as a secondary diagnosis | No |
| Of conditions for which the subject disease is an underlying cause | No |
| 4. Population Base for Cost Estimate (Total U.S. pop. or other) | Total U.S. pop. |
| 5. Annual (prevalence model) or Lifetime (incidence model) Cost: | Annual |
| 6. Perspective of Cost Estimate (Total society, Federal budget, or Other) | Total Society |
| 7. Approach to Estimation of Indirect Costs | Human Capital |
| 8. <u>Source of Cost Estimate:</u> (Reference published or unpublished report, or address and telephone of person/office responsible for estimate) | |

Yelin E, and Callahan L for the National Arthritis Data Work Group: The economic cost and social and psychological impact of musculoskeletal conditions, *Arthritis and Rheumatism* 1995, 38:10:1351-1362

Allan Praemer, Sylvia Furner, and Dorothy P. Rice. *Musculoskeletal Conditions in the United States*, Park Ridge, IL, American Academy of Orthopaedic Surgeons, 1992, p. 165, Table 15.

9. Other Indicators of Burden of Disease:

Currently, arthritis in some form affects nearly 40 million Americans--one in seven. By the year 2020, as Baby Boomers reach their 60s, arthritis will affect almost 60 million--nearly one in five--according to a study released last June (1994) by the National Arthritis Data Workgroup.

10. Commentary:

The estimate by Praemer, Furner and Rice refers to 1988. Yelin and Callahan express the results in 1992 dollars by using the Consumer Price Index (CPI). They state that the adjustment provides conservative estimates of costs, because the medical care component of the COI has been rising much faster than the other components of the CPI. The adjustment implicitly assumes no change in practice patterns.

According to author/economist Ed Yelin, indirect cost estimates would be much greater if the costs attributed to loss of homemaking functions could be more easily priced in the marketplace.